

# TOWN OF COLCHESTER

## BUDGET WORKSHOPS - WEEK 1 IN REVIEW

### **Tuesday - March 1**

The budgets were presented to citizens and Board of Finance. It was a standing room only crowd as the Schools Budget presentation focused on challenges in teaching in today's world and why declining enrollment has not translated into a proportionate decline in positions. The 45 minute presentation was followed by an hour of comments by citizens, students and teachers. Comments ranged from a concern as to whether capital expenditures are sufficient to maintain the buildings to most commenting on concerns as to whether the proposed 0% increase will provide sufficient dollars to maintain current programming and student results.

Art Shilosky then presented the Town budget. The \$678K increase in the Town's budget is driven by 3 items: increase in capital spending (\$286K) according to the Town's capital plan, health insurance self-funding increase (\$222K) and an increase in road maintenance (\$100K) with 1/2 of that being a planned increase per the town's capital plan, and the other half to replace funds planned for road maintenance in 2014/2015 that had to be diverted to overspending in snow removal. Other contractual increases in expenses were offset by efficiency changes in staffing and contracts as well as energy savings due to the energy project and long term contracts locking in today's low prices.

Art announced as part of his budget, he had restored Saturday Library hours, 6 hours in the summer as well as an additional 2 hours during the balance of the year. This was a result of the many public requests he has received.

Art also announce that a plan had been developed to provide 24 hour/5 day police protection within the current staffing and overtime budget.

He finished by explaining the cuts in State Aid by the Governor's proposed budget that would have to be replaced by Town taxes and the positive impact on taxes of an increase in the grand list.

The net result of the budgets, as presented, is a .25 mill rate increase. This would be a .8% increase or about a \$47 annual increase on the median priced home (\$270K market value/\$189K assessed 70% of market value), and a \$3.75 annual increase on a \$15K auto assessment.

### **Wednesday - March 2**

Small turnout of citizens to review of the Town Budget. One citizen spoke in support of Town Budget, commending the First Selectman for his commitment in the budget to the Capital Plan, Public Safety and Road Maintenance.

The Board of Finance has been working with the First Selectman and Department heads since October in the development of the proposed budget. Although we did not know what which items would ultimately make it through the whole process and be in the budget until Tuesday, the Board had placed priorities on certain items and had already had a lot of prior discussion. Most of the new initiatives discussed over the last 5 months were not included in the budget proposed.

In reviewing the budget with Art, the members agreed that they were committed to funding the capital improvement plan and road maintenance; and the health insurance is not discretionary.

These 3 items are 90% of 672K increase.

The next highest increase is C3. Members support the program and its results, but are concerned if the program expects that future budgets will continue to support increasing levels of money needed. Rob Tarlov and Art Shilosky stated that they have been attending sustainability meetings and that a lot of work is being done, but neither felt that the group was close to creating a plan for long term sustainability. In the short term the program continues to get great results, but additional sources of revenue are needed for the program to continue in the long term. For information on

C3: <http://www.colchesterc3.org>

Art Shilosky also asked the Board to look at changing the health insurance funding policy to lower the amount currently needed in the budget. The Board stated that they would review, but that the policy had taken a long time to create, had not been in place very long and more time would be needed to assess the long term impact of such a change.

The discussion adjourned to Monday's workshop with the Board asking for a list of new mandates and new programs that are contributing to the other \$45,000 of increases in the proposed budget.

### **Thursday - March 3**

A filled room of Colchester citizens attended the Board of Finance workshop to discuss the Schools Budget. The initial Citizen Comments period had many voters expressing concern that a 0% increase in the school budget would negatively impact programs important to student learning. Many asked that BOF restore the reductions made by BOE to Superintendent's budget. Another citizen reading from the web, stated the budget increases being proposed in other Towns. One citizen spoke in support of C3 and asked that the proposed funding for this program not be touched. Many expressed concern that with the 500,000 increase in special education and a 0% budget meant that the rest of the budget was reduced to account for that amount.

BOE Chair Ron Goldstein stated that he and the other BOE members felt the budget proposed by the Superintendent was a responsible budget and had experienced many reductions leading to the public presentation. The Board had voted 4-2 to reduce the budget to a 0% based on strong input from Rob Tarlov and Rob Esteve.

BOF Chair, Rob Tarlov and Vice Chair, Rob Esteve explained because the Superintendent had stated in November that he would come in with no increase, that a 242K increase with so much savings from insurance and energy, that they felt a 0% budget should be possible.

Rob T went on to explain that there were reductions in health insurance and energy related items of 1.4 million. Although this amount was offset by increases of 568K in special education and 36K in debt service related to the energy saving project, the net reductions of 800K (2% of the budget) were still in the budget and reallocated to other items.

Although BOE Chair, Ron Goldstein, agreed that spending was not being reduced with a 0% budget containing increased special ed costs, the savings shown (above) were absorbed by contractual increases and other requirements, and were not increasing spending for additional programs.

Rob Tarlov went on to explain that most of the 242,000 reduction approved by BOE was attributed to reductions in contributions to capital reserve, facilities manager and technology items. Although the technology items were removed from budget, they are still being purchased by a grant notice received on 1/29. He went on to explain that about 10% of the reduction was office expenses such as postage, printing, chairs, telephone.

Rob Tarlov said that he had stated two expectations when BOF and BOE had a budget discussion

in November. First, the budget needed to address declining enrollment, either by increasing the correlation between declining enrollment and declining positions, or BOE must explain why reductions in staffing have been less than the decline in enrollment. Second, the line items for capital improvement, repair and maintenance should not be reduced and will need to follow the funding plan in the Facilities Repair and Maintenance Plan created in 2014.

Rob stated that he felt that Tuesday's BOE presentation had done an excellent job in explaining why the challenges for today's schools are causing the reductions in certified "traditional" teachers to be offset by the need to reallocate many of these "other" certified positions to address a student population very different than most of us experienced in our learning years. Being a numbers guy, he said that although he would have liked to have seen more numbers in the presentation, he stated that over the last several months he had done his own research and number crunching and his results supported their presentation, seeing that the decrease in "classroom" teachers had a high correlation to declining enrollment, but the increases in learning specialists, behavioral specialists, psychologists, social workers had offset many of the reductions. He stated similar results on the classified count, as many positions, such as custodians, are not enrollment driven and the large increase in special education paras had offset the reductions that had happened.

Rob then went on to express concern on the level of capital spending. Although capital spending was the same as last year, planned capital reserve had been reduced last year after the first referendum. He was also concerned that many items that had been projected to be done in 2016-2017 had been removed from the current budget and asked about the status of these projects. Board of Finance was presented with a 5 page report itemizing the status of all projects. The Board stated they would review the report and continue the discussion on Monday.

Another Citizens' Comments period had many citizens asking the Board of Finance to restore the reductions passed by BOE. One citizen said he fully supported the Town Budget and that he felt they needed to catch up for years of underspending and while he would like to support the BOE budget, he could not do so until they had a five year plan addressing declining enrollment.

Monday will be a public forum at 7:00 for citizens to comment and ask questions on both budgets before the Board of Finance Workshop that will determine what changes they will request in the budgets.

At the 3/16 Board of Finance meeting a decision will be made by the Board on the budget that will be presented at the Public Hearings on April 4 and 5.

Budget information will be posted on the Town Web site as it becomes available;

[http://www.colchesterct.gov/Pages/ColchesterCT\\_WebDocs/Popularlinks/Budget/budgethomepage](http://www.colchesterct.gov/Pages/ColchesterCT_WebDocs/Popularlinks/Budget/budgethomepage)

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